

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 205/GT/2013**

Subject : Petition for approval of tariff of Rihand Super Thermal Power Station Stage-III (1000 MW) for the period from anticipated date of commercial operation to 31.3.2014.

Date of Hearing : **22.5.2014**

Coram : Shri Gireesh B. Pradhan, Chairperson  
Shri M. Deena Dayalan, Member  
Shri A.K. Singhal, Member

Petitioner : NTPC Limited

Respondents : Uttar Pradesh Power Corp. Ltd. (UPPCL) and 12 others

Parties present : Shri Ajay Dua, NTPC  
Shri A. S. Pandey, NTPC  
Shri Shankar Saran, NTPC  
Shri Neeraj Kumar, NTPC  
Shri R. B. Sharma, Advocate, BRPL  
Shri Padamjit Singh, PSPCL

**Record of Proceedings**

The petitioner, NTPC has filed this petition for approval of tariff of Rihand STPS, Stage-III (1000 MW) (hereinafter called "the generating station") for the period from the anticipated date of commercial operation to 31.3.2014 in accordance with the provisions of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 ("the 2009 Tariff Regulations")

2. During the hearing, the representative of the petitioner submitted that the tariff petition was filed on 17.7.2012 and provisional tariff has been granted by the Commission by its order dated 24.12.2012. He also submitted that additional information as sought for by the Commission has been filed and copies served on the Respondents. The representative prayed that the Commission may determine tariff of the generating station as prayed for.

3. The learned counsel for the Respondent BRPL submitted as under:

(a) The petition is not maintainable since Unit-II which was anticipated to be declared under commercial operation within 6 months as envisaged under Regulation 5(2) of the 2009 Tariff Regulations had expired and the said unit was declared under commercial operation on 27.3.2014. Hence, the petitioner may be directed to file revised petition in accordance with Regulation 5 of the 2009 Tariff Regulations.

(b) Since there is time overrun involved in the project, provisional tariff for the generating station may be considered only on 80% of the capital cost claimed.

- (c) Reply has been filed in the matter by the respondent.
4. The representative of the Respondent PSPCL submitted as under:
- (a) As regards the claim of the petitioner for water charges, detailed objections have been filed by this respondent in Petition No.121/MP/2011. The petitioner may also be directed to furnish the details as to whether the increase in water charges was contested by the petitioner.
  - (b) Since Rihand STPS consists of three stages, the petitioner may be directed to give the comparative costs of the items of equipments pertaining to Plant & Machinery indicated in Serial Nos. 2.1to 2.4 in Form-5B of the petition.
  - (c) The petitioner may also be directed to provide the details of the cost of coal for the preceding 3 months i.e. March, 2012 to May 2012 for computation of IWC and the details regarding the GCV of coal as fired/received, billed and supplied.
  - (d) Time may be granted to file reply in the matter within one week.
5. In response to the above, the representative of the petitioner clarified as under:
- (a) The increase in water charges as claimed in Petition No.121/MP/2011 is based on the notification issued by the statutory authorities and the same has not been contested.
  - (b) As regards the filing of comparative cost of the items of equipments, the details of the same are available with the Respondent PSPCL as they have actively participated in the tariff determination process of other stages of Rihand STPS. Even otherwise, the Commission after considering the reasonableness of the cost with the benchmark capital cost allows tariff for the generating station.
  - (c) The details with regard to the cost of coal, the GCV of coal as fired/received/billed and supplied have been duly submitted as per the forms specified by the Commission in terms of the provisions of the 2009 Tariff Regulations.
  - (d) The Commission may consider the grant of provisional tariff subject to adjustment after determination of final tariff of the generating station.
6. The Commission after hearing the parties directed the petitioner to revise the tariff forms and submit the following information on affidavit, on or before 20.6.2014, with advance copy to the respondents.
- (i) Copies of Audited Financial Statement as on 31-03-2013 and 31-03-2014.
  - (ii) Statement of un-discharged liabilities as on 31-03-2013 and 31-03-2014 duly signed by the auditor.
  - (iii) Statement of Capital cost showing separately for Unit-I and Unit-II as on COD of each unit, duly signed by the auditor.
  - (iv) Date-wise disbursement of equity.

- (v) Bank document with respect to interest rates reset at each period in respect of each disbursement of each loan.
- (vi) Form 5 & Form 10.
- (viii) The drawl date and amount of bonds XXXVIII, XLII and XLIV is as below:

Bonds (a)	DRAWL DATE (b)	AMOUNT (c)	Effective Date (d)	No. of Days (e=d-b)	No. of days considered by petitioner (f)
XXXVIII	22-Mar-11	60000000	31-Mar-11	10	7+10=17
XLII	25-Jan-12	80000000	31-Mar-12	67	7+67=74
XLIV	4-May-12	250000000	30-Jun-12	58	7+58=65

The petitioner shall clarify the 7 days extra interest granted during Q4 2010-11 of Bond XXXVIII, Q4 2011-12 of Bond XLII and Q1 2012-13 of Bond XLIV.

- (viii) The calculation of interest on loan, FERV and finance charge is as below:-

Interest on domestic loan	₹311.41 crore (Form 14 Domestic-Pg. No.108)
Interest on foreign loan	₹45.72 crore (Form 14 Quarter-Pg No.109)
Interest on Bonds	₹ 3.28 crore (Form 14 Bonds-Pg No.110)
FERV	₹158.91 crore (Foreign loan & ERV) (Under form 14A & budget ID calculation)
Finance Charge	10.38 crore (On domestic loan- ₹2.75 cr) (On Foreign Loan- ₹7.60 cr) (On Bonds - ₹0.03 cr)
TOTAL	₹529.71 crore

The petitioner shall clarify the difference of ₹40.30 crore as against the figure of ₹489.41 crore shown in Form 5B.

- (ix) The allocation rate of "5.625% Eurobond due 2021" for USD 500 Million for the generating station is 17.5690%. However, NTPC has allocated @ 7.175% during the period from 14-07-2011 to 30-09-2011 i.e. 2<sup>nd</sup> quarter of 2011-12. (Ref: Sheet FB21 & BTMU under IF IDC Calculation). This shall be clarified by the petitioner.
- (x) Soft copy of all the calculations.
- (xi) Auditor certificate for capital cost (on cash basis) as on COD of Unit-I (19-11-2012) and 31-12-2013 /COD of Unit-II (27-3-2014) shall be furnished.

By order of the Commission

**Sd/-**  
(T. Rout)  
Chief (Legal)